



**RBA
AUSTIN HOUSING FINANCE CORPORATION
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO.: AHFC-2
AGENDA DATE: Thu 10/20/2005
PAGE: 1 of 2**

SUBJECT: Approve a resolution authorizing the execution of a construction contract with KEYSTONE CONSTRUCTION, INC., Austin TX, to install infrastructure improvements in the Montopolis subdivision for a total contract amount not to exceed \$2,314,737.90.

AMOUNT & SOURCE OF FUNDING: Funding is available from the Grant Operating Budget from Community Development block Grant program income for Fiscal Year 2005-2006.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Austin Housing Finance
DEPARTMENT: Corporation

DIRECTOR'S
AUTHORIZATION: Paul Hilgers

FOR MORE INFORMATION CONTACT: Paul Hilgers, Executive Director, Austin Housing Finance Corporation, 974-3108.

PRIOR BOARD ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

This action authorizes the execution of a construction contract with Keystone Construction, Inc., Austin TX, to install infrastructure improvements in the Montopolis subdivision for a total contract amount not to exceed \$2,314,737.90. The Montopolis Home Development is an initiative to increase home ownership opportunities for low- and moderate-income families living in a neighborhood facing significant gentrification pressures. The plans call for up to 81 homes to be built with infrastructure construction to commence in November, 2005, and home construction to commence in the spring of 2006.

The Montopolis subdivision is located on 19 plus acres of land off of Frontier Valley Drive. Homes will be sold to homebuyers earning less than 80% of the Austin Median Family Income (MFI), currently \$56,900 for a family of four. Located only a few miles from downtown, the proposed 81 lot single-family subdivision will combine the goals of:

- achieving housing affordability in a mixed-income community;
- preserving neighborhood character by following adopted neighborhood design guidelines and mitigating gentrification pressures through this S.M.A.R.T. Housing™ (Safe, Mixed-Income, Accessible, Reasonably-Priced, Transit-Oriented) project;
- implementing energy efficiency in the new homes by using Green Building Design principles;
- linking the new housing to public transportation.

This contract will provide for land preparation, utility installation, storm water containment and street, curb, gutter and sidewalk construction for the Montopolis subdivision, resulting in the creation of 81 buildable lots.

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Bid documents were distributed to 9 general contractors. Bids were opened on September 29, 2005. Keystone Construction, Inc. submitted the lower of 2 bids received:

Keystone Construction, Inc.	\$2,314,737.90
Austin Engineering Company, Inc.	\$2,926,237.80

The contractor's choice of work methodology provides for 6 areas of subcontracting opportunities.

Participation subgoals stated in the solicitation were 4.12% African American; 12.67% Hispanic; .69% Native/Asian American, 6.24% WBE. Total participation:

NON M/WBE TOTAL – PRIME	\$2,314,737.90	100.00%
Keystone Construction, Inc., Austin, TX	\$1,409,999.90	60.91%
MBE TOTAL – SUBCONTRACTORS	\$187,400.00	8.10%
Kellough Trucking, Austin, TX	\$ 68,500.00	2.96%
Lupe Rubio Construction Co, Inc., Kingsland, TX	\$105,800.00	4.57%
Marie's Trucking, Austin, TX	\$ 13,100.00	.57%
WBE TOTAL – SUBCONTRACTORS	\$ 97,338.00	4.21%
Fuquay, Inc., Austin, TX	\$ 25,120.00	1.09%
Industrial Asphalt, Inc., Austin, TX	\$ 69,718.00	3.01%
White Photography, Dripping Springs, TX	\$ 2,500.00	0.11%
NON M/WBE TOTAL – SUBCONTRACTORS	\$620,000.00	26.78%
Hayden Concrete, Inc., Round Rock, TX	\$620,000.00	26.78%

The contractor submitted a MBE/WBE Compliance Plan that demonstrated a Good Faith Effort and was approved by the Department of Small & Minority Business Resources. Second low bidder information is provided.

SECOND BIDDER – Austin Engineering Co. Inc., Austin, Tx - \$2,926,237.00
76.0% Non M/WBE prime participation; 1.9% MBE; 4.2% WBE; 17.8% Non M/WBE subcontractor participation.